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09/603,390	06/23/2000	August Hochenberger	P/3331-132	1103

7590 06/18/2003

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EXAMINER

WASYLCHAK, STEVEN R

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 06/18/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Applicant No.	Applicant(s)
	09/603,390	HOCHENBERGER ET AL.
Examiner	Art Unit	
Steven R. Wasylchak	3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on 01 April 2003.

2a) This action is FINAL. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-33 is/are pending in the application.

4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-33 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) The proposed drawing correction filed on \_\_\_\_\_ is: a) approved b) disapproved by the Examiner.

If approved, corrected drawings are required in reply to this Office action.

12) The oath or declaration is objected to by the Examiner.

#### Priority under 35 U.S.C. §§ 119 and 120

13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some \* c) None of:

1. Certified copies of the priority documents have been received.

2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.

3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

a) The translation of the foreign language provisional application has been received.

15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

#### Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO-1449) Paper No(s) 11.

4) Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.

5) Notice of Informal Patent Application (PTO-152)

6) Other: \_\_\_\_\_.

## DETAILED ACTION

### Response to Amendment/Remarks

1. This office action is a response to applicant's amendments and remarks received on April 9, 2003.
2. Claims 1-33 are pending.
3. Examiner's response includes clarifications in the citations and Official Notice.

### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.
5. Claims 1-33 are rejected under 35 U.S.C. 103(a) as being anticipated by Togher et al (US 5,375,055), hereafter Togher.

As per claim 1,

Togher teaches an anonymous trading system for trading fungible instruments between traders; comprising:

-a communications network for transmitting electronic messages; / fig 1(all), fig 5(all)  
-a plurality of order input devices connected to the communications network each for generating electronic price quotation messages received from others of said

plurality of order input devices over the network; / fig 1(MAN, MD, ARB, OTHER ARBITRATORS); fig 5(A1a, MD1, ARB A, ARB B); col 1, L 23-29, 43-49; col 3, L 34-44; col 5, L 46-60; col 11, L 6-39; col 12, L 52 to col 13, L10

-at least one matching engine connected to the network for matching orders input into the system from the order input devices and for executing deals where orders are matched; / fig 1(ARB), fig 5(ARB B); col 1, L 15-54, 62 to col 2, L 11; col 5, L 47-54; col 9, L 22-27

-market distribution means connected to the network for distributing price quotation messages order input devices, the market distribution means being responsive to the price quotation messages and the matching engine; / fig 1(MAN, MD, ARB, OTHER ARBITRATORS); fig 5(A1a, MD1, ARB A, ARB B); col 1, L 5-12; col 6, L 12-35; col 12, L 53 to col 13, L 10; claim 1

-credit limit storage means for storing credit limits available for trades between each trader or groups of traders and possible counterpart traders or groups of trades; / abstract; col 1, L 15-48; col 2, L 3-11, 22-31, 48-68; claim 1

-means for identifying to each of the parties, an executed deal the counterpart to the deal; / col 1, L 15-54(note the last sentence)

Togher does not explicitly teach a means for offering to the identified counterpart a further trade at the same price as the executed deal. Official notice is taken that this feature of offering to the identified counterpart a further trade at the same price as the executed deal is old and well known in the brokerage art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this

feature of offering to the identified counterpart a further trade at the same price as the executed deal for the advantage of customizing account transactions to increase client options and thus increase sales as "customized" transaction (col 2, L 32-47) would include a further trade at the same price. (or eliminate in)

Togher does not explicitly teach a means for executing a further trade that is irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place. Official notice is taken that this feature of a means for executing a further trade irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place is old and well known in the brokerage art in the form of a customized cross trade where credit terms, anonymity and follow up sales can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of offering to the identified counterpart a further trade at the same price as the executed deal for the advantage of customizing account transactions to increase client options and thus increase revenue as a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for executing the further trade irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place.

As per claim 2,

Togher teaches the means for executing the further trade includes means for checking the credit limits between the parties and means for raising the credit limits extended by each party to the other amount of the further trade. / abstract; col 1, L 1-5; col 2, L 28-47, 57-69; col 3, L 1-34. However, Togher does not teach credit adjustment by the amount of the further trade. Official notice is taken that this feature of credit adjustment by the amount of the further trade is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of credit adjustment by the amount of the further trade for the advantage of customizing account transactions to increase client options and thus increase revenues as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for credit adjustment by the amount of the further trade.

As per claim 3,

Togher teaches an anonymous trading system according to claim 2, wherein the means for checking the credit limits includes means for storing the total assigned credit, the total utilized credit and the total available credit and the means for raising the credit limits and comprises means for raising the total credit assigned to the counterpart and utilized credit / col 2, L 28-47, 57-69; col 3, L 1-34. However, Togher does not explicitly

teach the amount of the further trade. Official notice is taken that this feature of amount of the further trade is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms can be privately negotiated. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of the amount of the further trade for the advantage of customizing account transactions to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for the amount of the further trade.

As per claim 4,

An anonymous trading system according to claim 1, wherein the means for executing the further trade comprises means for suppressing the checking for available credit between the parties during deal execution. / col 2, L 32-47, 58-69; col 3, L 1-21

As per claim 5,

Togher teaches a means for permitting a counter party offered a further trade to accept a further trade to the further trade. / col 2, L 38-47; col 4, L 11-20. However, Togher fails to teach the feature of a further trade for less than the proposed amount.

Official notice is taken that this feature of a further trade for less than the proposed amount is old and well known in the brokerage art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature a further trade for less than the proposed amount for the advantage of consummating the transaction and thus obtain at least a partial purchase for possible

*is a  
discount*

subsequent gain rather than having to "sit on the sidelines" and miss a potential profit opportunity.

As per claim 6,

Togher teaches a means for permitting a counter party offered a further trade to accept the further trade. / col 2, L 38-47; col 4, L 11-20. Togher fails to teach the feature of a further trade for the same price.

Official notice is taken that this feature to further trade for the same price is old and well known in the brokerage art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of a further trade for the same price for the advantage of consummating a larger transaction and thus obtain a possible greater subsequent gain.

As per claim 7,

Togher teaches each trader terminal includes a keypad and the means for offering a further trade. / fig 1. However, Togher fails to teach the feature of a special key.

Official notice is taken that this feature is old and well known in the computer art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of a special key for the advantage of faster trade consummation to beat out a possible competitor.

As per claim 8,

Togher teaches a trader terminal includes a display and the means for offering a further trade / fig 1. However, Togher fails to teach the feature of a soft key.

Official notice is taken that this feature of a soft key is old and well known in the computer art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of a soft key for the advantage of faster trade consummation to beat out a possible competitor.

As per claim 9,

An anonymous trading system according to claim 1, wherein said matching engine and said market distribution means together form a single broking node of the communications network, the network comprising a plurality of broking nodes and the means or offering a further trade comprises means for sending a further trade request message from the trader terminal to an originating broking node and from the originating broking node to the counter party broking node and from the counter party broking node to the counter party dealer terminal. / fig 1(all), fig 5(all)

As per claim 10,

An electronic trading system comprising:

- a means for matching anonymous bids and offers entered into the system by counter parties and for executing matched bids and offers to complete a deal, the deal execution means comprising means for checking the matched deal against stored limits of bilateral credit between the counter parties and means for preventing deal execution if one or both parties has insufficient credit, the deal execution means further identifying the counter parties to each other on completion of the deal; / abstract; fig 1,5; col 1, L 23-48; col 2, L 3-11, 22-47("customize"), 57-70; col 3, L 1-44("bilateral basis")

*for settled*

Togher teaches a means for permitting a party to an executed deal to provide a anonymous offer or request for a further deal with the counter party to the executed deal at the same price, the further deal means including means for adjusting the counter parties credits limits with one another by an amount equal to the value of the deal. / see reasoning under claim 2, abstract; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47("customize" amount), 57-70. However, Togher does not explicitly teach non-anonymous offers. Official notice is taken that this feature of non-anonymous offers is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of non-anonymous offers for the advantage of customizing account transactions to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for non-anonymous offers.

As per claim 11,

An electronic trading system according to claim 10, wherein the stored limits of bilateral credit include the assigned credit limit, the amount of credit utilized and the amount of credit available and the means for adjusting the counter party credit limits adjusts the assigned credit and the utilized credit by the same amount. / abstract; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47("customize"), 57-69; col 3, L 1-44("bilateral basis")

As per claim 12,

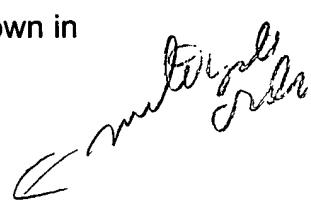
Togher teaches a means at the terminal of a party receiving a request for a further trade for accepting the further request. / abstract; fig 1; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34. However, Tougher fails to teach the feature of declining a further request or partial acceptance.

Official notice is taken that this feature of declining a further trade or partial acceptance is old and well known in the brokerage and / or retail art as a cross trade. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of declining a further trade or partial acceptance for the advantage of increased brokerage commissions or profits.

As per claim 13,

Togher teaches a means at the terminal of a party receiving a request for a further trade for accepting the further request and proposing a still further request. / abstract; fig 1; col 1, L 1-5, 29-48; col 2, L 3-11, 22-47, 57-69; col 3, L 1-34. However, Togher fails to teach the feature of a still further request.

Official notice is taken that this feature of a further trade is old and well known in the brokerage and / or retail art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of a still further trade for the advantage of increased brokerage commissions.



As per claim 14,

Togher teaches a source of credit between the parties to the anonymous trading system; and means for allocating sufficient credit for the further trade to the credit limits

stored within the anonymous trading system. / fig 1, 5; col 2, L 48-57; col 3, L 22-34; col 5, L 40-54; col 6, L 1-5. However, Togher fails to teach the feature of an executed external deal.

Official notice is taken that this feature of an executed external deal is old and well known in the brokerage and / or retail art as a cross trade. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of an external deal given that an external source of credit such as a bank is utilized so that an external deal is also a possibility to maximize revenues.

*same  
deal*

As per claim 15,

Togher teaches a source of credit between the parties to the electronic trading system; and means allocating sufficient credit for the further credit to the credit limits stored within the electronic trading system, whereby the credit check during deal execution will not prevent completion of the deal. / fig 1, 5; col 2, L 48-57; col 3, L 22-34; col 5, L 40-54; col 6, L 1-5. However, Togher fails to teach the feature of an executed external deal with a credit check during deal execution not stopping the transaction.

Official notice is taken that this feature of an executed external deal with a credit check during deal execution not stopping the transaction is old and well known in the brokerage and / or retail art as a cross trade. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of an external deal with a credit check during deal execution not stopping the transaction given that an external source of credit such as a bank is utilized so that an external deal is also a possibility to maximize revenues with a post-transaction credit

check being an option.

As per claim 16. (Amended)

An anonymous trading system for trading assets between traders, the system comprising:

a communications network;/ fig1, 5  
a plurality of order input terminals coupled to the communications network, each order input terminal communicates with a respective trader and generates electronic order messages in response thereto; and / fig 1,5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54

Togher teaches the communications network including at least one broker node coupled to a plurality of the order input terminals, the broker node executes anonymous deals between at least some of the traders based on bilateral credit between those traders, the broker node further effectuates a first trade between a first and second trader, / col 1, L 43-54; col 2, L 22-47("customize"), 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34. However, Togher does not explicitly teach notification of the first and second trader of the respective identities of their counter parties (instead, until after a transaction has been completed: col 1, L 54) and, thereafter, when requested by at least one of the first and second traders, the broker node effectuates a second trade between the first and second traders.

*NYS  
Specialist*

Official notice is taken that the feature of notification of the first and second trader of the respective identities of their counter parties and, thereafter, when requested by at least one of the first and second traders, the broker node effectuates a second trade between

the first and second traders is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated. It would have been obvious to one of ordinary skill in the art at the time of for the advantage of customizing account transactions to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for notification of the first and second trader of the respective identities of their counter parties and, thereafter, when requested by at least one of the first and second traders, the broker node effectuates a second trade between the first and second traders.

As per claim 17. (Amended)

An method for trading assets between traders in an anonymous trading system, the system comprising a communications network, a plurality of order input terminals coupled to the communications network, each order input terminal effective to communicate with a respective trader and to generate electronic order messages in response thereto, the communications network including at least one broker node coupled to a plurality of the order input terminals, each of the broker nodes being effective to execute deals between at least some of the traders based on bilateral credit between respective traders; the method comprising:/ col 2, L 22-47("customize"), 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34

Togher teaches effectuating a first trade between a first and a second trader when the bilateral credit between the first and second traders / fig 1, 5; col 3, L 1-44("bilateral basis"); col 5, L 47-54

Togher does not explicitly teach notifying the first and second trader of the respective identities of their counter parties. Official notice is taken that the feature of notification of the first and second trader of the respective identities of their counter parties and, thereafter, is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of non-anonymous offers for the advantage of customizing account transactions to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for notifying the first and second trader of the respective identities of their counter parties.

Togher does not teach when requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders. Official notice is taken that the feature of being requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders is old and well known in brokerage art in the form

of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature when requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders for the advantage of customizing account transactions to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for requesting by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders.

As per claim (New) 18.

A method for trading in an anonymous trading network, the method comprising:

performing an anonymous trade over the anonymous trading network between a first and second party;/ fig 1, 5; col 5, L 47-54

identifying the first and second party to each other after a first anonymous trade has been performed; and thereafter;/ fig 1, 5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54

Togher does teach permitting the first and second party to perform a trade using the anonymous trading network./ fig 1, 5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54.

However, Tougher does not teach a conversational trade. Official notice is taken that

this feature of a conversational trade is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as conversational trades can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of conversational trades to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for conversational trades.

As per claim 19. (Amended)

A method of trading in an anonymous trading system, the method comprising: - performing a first trade between a first and a second trader based on bilateral credit limits;/ abstract; col 1, L 1-5; col 2, L 28-47, 57-69; col 3, L 1-34  
Togher teaches performing a second trade between the first and the second trader through the anonymous trading system/ abstract; col 1, L 1-5; col 2, L 28-47, 57-69; col 3, L 1-34. However, Togher does not explicitly teach without regard to the credit limits. Official notice is taken that this feature of without regard to the credit limits is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as conversational trades can be privately negotiated. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of without regard to the credit limits to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross

order (Wall Street Dictionary, p. 103) could include a means for a transaction without regard to the credit limits.

As per claim 20. (New)

Togher teaches that the first trade is based on bilateral credit between the first and second trader;/ abstract; col 1, L 29-48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34. However, Togher does not explicitly teach that the second trade requires credit greater than that allowed by the bilateral credit.

Official notice is taken that this feature of second trade requires credit greater than that allowed by the bilateral credit is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as second trade requires credit greater than that allowed by the bilateral credit can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of without regard to the credit limits without regard to the credit limits is increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for the second trade requiring a credit greater than that allowed by the bilateral credit.

As per claim 21. (New)

The anonymous trading system as recited in claim 20, wherein the second trade does not affect the bilateral credit of the first trade./ refer to reasoning under claim 19

As per claim 22. (New)

The anonymous trading system as recited in claim 16, wherein the second trade is for trading the assets at substantially the same price as the first trade./ refer to reasoning under claim 6

As per claim 23. (New)

The method as recited in claim 17, wherein: the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit./ refer to reasoning under claim 20

As per claim 24. (New)

The method as recited in claim 23, wherein the second trade does not affect the bilateral credit of the first trade./ refer to reasoning under claim 21

As per claim 25. (New)

The method as recited in claim 24, wherein the second trade is for trading the assets at substantially the same price as the first trade./ refer to reasoning under claim 6

As per claim 26. (New)

An anonymous trading system for trading assets between traders, the system comprising:

a communications network;/ fig 1, 5

a plurality of order input terminals coupled to the communications network, each order

input terminal communicates with a respective trader and generates electronic order messages in response thereto; and/ fig 1,5; col 1, L 23-29; col 3, L 34-44; col 5, L 46-54;

-the communications network including:

Togher teaches at least one matching engine, the matching engine executing anonymous deals between at least some of the traders based on bilateral credit between such traders, and matching engine further effectuating a first trade between a first and second trader/ col 2, L 22-47, 57-69; abstract; col 1, L 29-48 ("customize"); col 2, L 57-70; col 3, L 1-34. However, Togher does not explicitly teach notifying the first and second trader of the respective identities of their counter parties, and, thereafter, when requested by at least one of the first and second traders, the matching engine effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders. Official notice is taken that this feature of notifying the first and second trader of the respective identities of their counter parties, and, thereafter, when requested by at least one of the first and second traders, the matching engine effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as notification of identification can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of notifying the first and second trader of the respective identities of their counter parties, and, thereafter, when requested by at least one of the first and second traders, the matching engine effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a means for notifying the first and second trader of the respective identities of their counter parties, and, thereafter, when requested by at least one of the first and second traders, the matching engine effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders.

As per claim 27. (New)

The anonymous trading system as recited in claim 26, wherein the first trade is based on bilateral credit between the first and second trader and the second trade requires credit greater than that allowed by the bilateral credit./ refer to reasoning under claim 20

As per claim 28. (New)

The anonymous trading system as recited in claim 27, wherein the second trade does not affect the bilateral credit of the first trade./ refer to reasoning under claim 21

As per claim 29. (New)

The anonymous trading system as recited in claim 26, wherein the second trade is for trading the assets at substantially the same price as the first trade./ refer to reasoning under claim 6

As per claim 30.

A method for trading assets between traders in an anonymous trading system, the system comprising a communications network, a plurality of order input terminals coupled to the communications network, each order input terminal effective to communicate with a respective trader and to generate electronic order messages in response thereto, the communications network including at least one matching engine; the at least one matching engine being effective to execute deals between the traders based on bilateral credit between respective traders; the method comprising: effectuating a first trade between a first and a second trader when the bilateral credit between the first and second traders allow; notifying the first and second trader of the respective identities of their counter parties; and thereafter, when requested by at least one of the first and second traders, effectuating a second trade between the first and second traders without regard to the bilateral credit between the first and second traders./ **all above:** col 2, L 22-47, 57-69; abstract; col 1, L 29-48; col 2, L 57-70; col 3, L 1-34; see reasoning under claim 16, especially the Official Notice using cross trading.

As per claim 31. (New)

Togher teaches bilateral credit./ abstract; col 1, L 29-48; col 2, L 3-11, 22-47; col 2, L 28-47, 57-69; col 3, L 1-34. However, Togher does not explicitly disclose that the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit. Official notice is taken that this feature of the first trade is based on bilateral credit between the first and second trader and the second trade requires credit greater than that allowed by the bilateral credit is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of the first trade is based on bilateral credit between the first and second trader; and the second trade requires credit greater than that allowed by the bilateral credit to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include this feature of the first trade is based on bilateral credit between the first and second trader and the second trade requires credit greater than that allowed by the bilateral credit.

As per claim 32. (New)

Tougher teaches bilateral credit of the first trade./ col 2, L 38-47, 57-69; col 3, L 1-34. However, Tougher does not explicitly disclose that the trade does not affect the bilateral credit of the first trade. Official notice is taken that this feature of the second

the trade does not affect the bilateral credit of the first trade is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of the second the trade does not affect the bilateral credit of the first trade to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include that the second the trade does not affect the bilateral credit of the first trade.

As per claim 33. (New)

Togher teaches trading assets /fig 1, 5; col 2, L 38-47. However, Togher does not explicitly teach the second trade is at substantially the same price as the first trade. Official notice is taken that this feature of the second trade is at substantially the same price as the first trade is old and well known in brokerage art in the form of a customized cross trade where credit terms and follow up sales terms as well as anonymous offers can be privately negotiated.

It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature of the second trade is at substantially the same price as the first trade to increase client options and thus increase sales as where a "customized" (col 2, L 32-47) private cross trade or cross sale (Dictionary of Finance

and Investment Terms, p. 129) or cross order (Wall Street Dictionary, p. 103) could include a the second trade is at substantially the same price as the first trade.

### **Response to Arguments**

6. Applicant's arguments with respect to Claims 1-9,14: party identification is found in col 1, L 49-54. A means for identifying and further trade is part of a new official notice in a claim 1 limitation as a cross trade where parties can mutually agree to identify counter parties, credit terms, anonymous offer or non-anonymous offer and other terms of the trade along with a broker. Multiple trades are again subsumed under Official Notice of cross trade of securities and the concept of plurality or duplication, as it would apply to a sequence of trades, is cited in In Re Harzaf, 274 F.2d 669, 124 USPQ 378 (CCPA 1960). Additional citations were made for clarification purposes.

7. Applicant's arguments with respect 10-13 and 15: a non-anonymous offer for a further deal can done at a mutually agreed price for mutually agreed number of transactions under a cross trade. Additional citations were made for clarification purposes.

8. Applicant's arguments with respect to claims 16, 20-22: additional citations were made and Official Notice with cross trade to read on first orders, notification of identities, second orders, prices and credit limits.

9. Applicant's arguments with respect to the remaining claims of 17-19, 23-33, all revolve around the same terms as above and Examiner has again responded with additional citations and cross trading as Official Notice.

This action is **NON-FINAL**. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Steven R. Wasylchak whose telephone number is (703) 308-2848. The examiner can normally be reached on Monday-Thursday from 7:00 a.m. to 6:00 p.m. EST. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1065. The fax number for Art Unit 3624 is (703) 305-7687. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Steven Wasylchak      6/12/03



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